

Building Fund Advisory Council

STARS Number & Budget Unit: 200 ADAJ(Cont), 200 ADHA

Bill Number & Chapter: S1189 (Ch.328), S1195 (Ch.341)

PROGRAM DESCRIPTION: The five person Permanent Building Fund Advisory Council is composed of one member from the Senate, one member from the House of Representatives, one contractor, one banker, and one business person. The Council oversees and approves all planning, design and construction of state public works projects.

DIVISION SUMMARY:	FY 2002 Total Appr	FY 2002 Actual	FY 2003 Total Appr	FY 2004 Request	FY 2004 Gov Rec	FY 2004 Approp
BY FUND SOURCE						
Dedicated	95,930,000	23,054,000	36,557,400	25,711,000	43,877,300	28,993,400
Percent Change:		(76.0%)	58.6%	(29.7%)	20.0%	(20.7%)
BY EXPENDITURE CLASSIFICATION						
Capital Outlay	95,930,000	23,054,000	36,557,400	25,711,000	43,877,300	28,993,400
DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total	
FY 2003 Original Appropriation	0.00	0	17,663,800	0	17,663,800	
Reappropriations	0.00	0	148,627,200	0	148,627,200	
1. FY 2002 Cancelled Projects	0.00	0	(68,056,000)	0	(68,056,000)	
2. FY 2003 Cancelled Projects	0.00	0	(13,013,800)	0	(13,013,800)	
3. Cancelled Maintenance	0.00	0	(31,000,000)	0	(31,000,000)	
Other Approp Adjustments	0.00	0	(17,663,800)	0	(17,663,800)	
FY 2003 Total Appropriation	0.00	0	36,557,400	0	36,557,400	
Removal of One-Time Expenditures	0.00	0	(36,557,400)	0	(36,557,400)	
FY 2004 Base	0.00	0	0	0	0	
Alt. & Rep. (Includes Restoring Projects)	0.00	0	26,282,400	0	26,282,400	
FY 2004 Maintenance (MCO)	0.00	0	26,282,400	0	26,282,400	
1. DOC: Security Locking System	0.00	0	2,011,000	0	2,011,000	
2. ADMIN: Statewide Microwave	0.00	0	700,000	0	700,000	
FY 2004 Total Appropriation	0.00	0	28,993,400	0	28,993,400	
Change From FY 2003 Original Approp.	0.00	0	11,329,600	0	11,329,600	
% Change From FY 2003 Original Approp.			64.1%		64.1%	

FY 2003 TRANSFER TO GENERAL FUND: S1195 transferred monies from a number of dedicated funds to the state's General Fund as part of the Legislature's effort to balance the FY 2003 General Fund budget. To that end, S1195 directed the State Controller to transfer \$48 million from the Permanent Building Fund to the General Fund. These monies included about \$35 million in alteration and repair projects that were cancelled as well as about \$13 million in capital projects approved for FY 2002 but which were put on hold when the state's General Fund budget crisis began.

APPROPRIATION HIGHLIGHTS: Consistent with past practices, the FY 2003 Building Fund Advisory Council budget was appropriated as one-time money. Consequently, base adjustments remove the FY 2003 appropriations. Other reductions noted in the table above reflect the cancellation of approximately \$112 million in new construction and maintenance projects in both FY 2002 and FY 2003. These projects were cancelled and the corresponding Permanent Building Funds were transferred to the state's General Fund as part of the Legislature's budget balancing efforts in both FY 2002 and FY 2003.

For FY 2004, S1189 allocates most of the available Permanent Building Fund money, or \$26,282,400, for building maintenance (alteration and repair). This reflected the effort to restore funding for many of the maintenance projects cancelled in FY 2003. Maintenance projects will be completed in priority of need as determined by the Division of Public Works in coordination with state agencies. In addition to maintenance projects two new construction projects were approved:

1) \$2,011,000 was authorized to replace security locking systems at the Idaho Maximum Security Institution (IMSI) and at the Idaho Correctional Institution at Orofino. The Legislature approved about \$3 million for this project in FY 2003, but the Governor placed \$2 million of the project on hold as a budget balancing measure. Following the Governor's administrative decision to withhold two-thirds of project funding, the Joint-Finance Appropriations Committee in October 2002 reaffirmed its earlier decision that the project should go forward with the full \$3 million in funding. However, the Governor maintained the administrative holdback of the \$2 million for the project. In S1189, the Legislature has once again approved the balance of funding for the security locking systems.

2) The second project reflects \$700,000 for the third and final phase of the statewide microwave communication system. The system will provide improved communication for the state's public safety agencies and Idaho Public Television will use the system for FCC-required digital transmission.

ANALYST COMMENT: For the first time no emergency clause was included in the Permanent Building Fund's appropriation. This should provide LSO the ability to better track fund expenditures.

FY 2004 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
OT D 0365-00 Permanent Building	0.00	0	0	28,993,400	0	0	28,993,400

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FY 2004 Permanent Building Fund Comparison

	Agency Request	PBFAC Recomm.	Governor's Recomm.	JFAC Action (SB1189)
REVENUES:				
Beginning Balance	\$ 3,994,100	\$ 3,994,100	\$ 3,995,200	\$ 3,995,200
General Fund Transfer	-	-	20,758,200	-
Income Tax Filing Fee - \$10 Head Tax	6,086,000	6,086,000	6,086,000	6,086,000
Cigarette Tax	6,918,000	6,918,000	6,918,000	6,918,000
Beer Tax	1,404,000	1,404,000	1,404,000	1,404,000
Sales Tax	5,000,000	5,000,000	5,000,000	5,000,000
Lottery Dividends	9,000,000	9,000,000	9,250,000	9,250,000
Capitol Mall Parking Receipts	108,000	108,000	108,000	108,000
Budget Stabilization Fund Interest	256,000	256,000	256,000	256,000
Permanent Building Fund Interest	2,010,000	2,010,000	2,010,000	2,010,000
Reappropriation	-	-	-	-
TOTAL REVENUE	\$ 34,776,100	\$ 34,776,100	\$ 55,785,400	\$ 35,027,200
EXPENDITURES:				
Dept of Administration Operating Budget:				
Division of Public Works	\$ 2,099,500	\$ 2,099,500	\$ 2,033,800	\$ 2,033,800
Bond Payments-Existing	5,000,000	5,000,000	5,000,000	4,000,000
Bond Payments-Proposed MK Plaza			4,874,300	-
Sub-total Admin Operating Budget	\$ 7,099,500	\$ 7,099,500	\$ 11,908,100	\$ 6,033,800
SUB-TOTAL AVAILABLE REVENUES	\$ 27,676,600	\$ 27,676,600	\$ 43,877,300	\$ 28,993,400
Alteration, Maintenance & Repair Projects:				
Alt. & Rep.--includes deferred proj.	\$ 39,870,600	\$ 23,000,000	\$ 41,166,300	\$ 26,282,400
Asbestos Abatement	397,000	*	-	-
Underground Storage Tanks	150,000	*	-	-
ADA Compliance	1,764,000	*	-	-
Building Demolition	830,300	*	-	-
Capitol Mall Maintenance	-	-	-	-
Other	-	-	-	-
Sub-total Alterations & Repairs	\$ 43,011,900	\$ 23,000,000	\$ 41,166,300	\$ 26,282,400
* PBFAC recommendation authorizes but does not itemize expenditures for Asbestos Abatement, Underground Storage Tank Remediation, ADA Compliance, and Building Demolition.				
Capital Construction Projects:				
1. CORR: Security Locking Systems	\$ 2,011,000	\$ 2,011,000	\$ 2,011,000	\$ 2,011,000
2. ADMIN: Microwave completion	700,000	700,000	700,000	700,000
Sub-total Capital Projects	\$ 2,711,000	\$ 2,711,000	\$ 2,711,000	\$ 2,711,000
ADVISORY COUNCIL EXPENDITURES	\$ 45,722,900	\$ 25,711,000	\$ 43,877,300	\$ 28,993,400
ENDING BALANCE	\$ (18,046,300)	\$ 1,965,600	\$ -	\$ -

NOTE: Shading in right-hand column denotes differences from the Governor's recommendation.

Permanent Building Fund

ESTIMATED HISTORICAL SOURCES OF REVENUE

Fiscal Year	Head Tax	Cigarette Tax	Beer Tax	Sales Tax	Lottery Profits	Budget Reserve Interest	Permanent Bld. Fund Interest	General Fund Transfers	TOTAL*
1980	3,777,600	981,900	1,163,200	500,000	0	0	0	0	6,422,700
1981	3,659,800	1,017,800	1,068,900	500,000	0	0	0	0	6,246,500
1982	3,245,500	1,004,700	1,190,500	500,000	0	0	0	0	5,940,700
1983	3,477,500	1,005,700	1,180,200	500,000	0	0	0	0	6,163,400
1984	3,124,600	977,900	1,147,200	500,000	0	0	0	0	5,749,700
1985	3,456,400	960,100	1,140,100	500,000	0	0	0	3,179,200	9,235,800
1986	3,426,000	922,300	1,103,500	500,000	0	0	0	1,910,000	7,861,800
1987	4,033,000	911,800	1,091,800	500,000	0	0	0	15,000,000	21,536,600
1988	2,741,700	6,399,800	1,072,600	500,000	0	0	0	2,300,000	13,014,100
1989	3,761,000	6,283,400	1,060,100	500,000	0	0	0	0	11,604,500
1990	3,880,400	5,464,300	1,089,800	500,000	200,000	0	0	15,233,000	26,367,500
1991	4,236,100	6,356,800	1,125,200	500,000	8,412,500	1,955,100	0	42,000,000	64,585,700
1992	3,351,200	6,547,200	1,163,400	500,000	8,612,500	1,450,800	0	4,083,500	25,708,600
1993	5,280,900	6,490,500	1,194,700	500,000	6,000,000	1,010,400	0	0	20,476,500
1994	4,412,200	7,047,100	1,201,900	500,000	7,000,000	1,432,000	0	0	21,593,200
1995	4,709,700	6,733,500	1,161,400	500,000	9,000,000	1,152,500	0	38,142,600	61,399,700
1996	4,955,300	6,944,000	1,138,100	500,000	9,500,000	1,873,800	0	49,709,100	74,620,300
1997	4,485,700	6,953,000	1,144,400	500,000	10,000,000	1,587,100	0	1,000,000	25,670,200
1998	4,584,300	6,829,100	1,159,300	500,000	9,750,000	1,607,800	0	0	24,430,500
1999	4,676,000	6,712,600	1,175,200	500,000	10,750,000	1,891,600	0	2,000,000	27,705,400
2000	5,286,300	6,523,800	1,176,100	500,000	10,500,000	2,012,900	2,925,000	2,500,000	31,424,100
2001	5,556,500	6,332,000	1,207,700	5,000,000	10,000,000	2,902,800	3,000,000	65,000,000	98,999,000
2002	5,527,900	6,104,300	1,256,800	5,000,000	9,000,000	3,409,400	6,180,000	(68,000,000)	(31,521,600)
2003	6,650,000	6,043,000	1,313,000	5,000,000	7,750,000	1,121,000	3,109,000	(48,000,000)	(17,014,000)
2004	6,086,000	6,918,000	1,404,000	5,000,000	9,250,000	256,000	2,010,000	0	30,924,000
108,381,600	118,464,600	29,129,100	30,500,000	125,725,000	23,663,200	17,224,000	126,057,400	579,144,900	

* The Total (revenue) column does not include each year's beginning fund balance (reappropriations) or various non-standard transfers into the PBF that occur on an irregular basis.